



BILLING CODE: 8070-01-P

FEDERAL HOUSING FINANCE BOARD

12 CFR Part 905

FEDERAL HOUSING FINANCE AGENCY

12 CFR Part 1200

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Federal Housing Enterprise Oversight

12 CFR Part 1700

RIN 2590-AA54

Organization and Functions, and Seal

AGENCY: Federal Housing Finance Agency.

ACTION: Final rule.

SUMMARY: The Federal Housing Finance Agency (FHFA) adopts final regulations containing a description of its organization and description of its seal and logo. This rule removes comparable existing regulations of the Federal Housing Finance Board (Finance Board) and the Office of Federal Housing Enterprise Oversight (OFHEO), and establishes new FHFA regulations.

EFFECTIVE DATE: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Donna R. Ely, Associate General Counsel, Office of the General Counsel, (202) 649-3068 (not a toll free number),

Donna.Ely@fhfa.gov, 400 Seventh Street, SW., Eighth Floor, Washington, DC 20024.

The telephone number for the Telecommunications Device for the Hearing Impaired is (800) 877-8339.

SUPPLEMENTARY INFORMATION:

I. Background

Effective July 30, 2008, Division A of the Housing and Economic Recovery Act of 2008 (HERA), Pub. L. 110-289, 122 Stat. 2654 (2008), titled the Federal Housing Finance Regulatory Reform Act of 2008, amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) (Safety and Soundness Act) and created FHFA as an independent agency of the Federal Government. HERA provided for the abolishment of the Office of Federal Housing Enterprise Oversight (OFHEO) and the Federal Housing Finance Board (Finance Board) one year after the date of enactment. Those agencies, together with the Housing and Urban Development Enterprise mission staff, were combined to establish FHFA. FHFA was established to oversee the prudential operations of the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) (together, Enterprises), and the Federal Home Loan Banks (Banks); and to ensure that they operate in a safe and sound manner, remain adequately capitalized, foster liquid, efficient, competitive and resilient national housing finance markets, comply with the Safety and Soundness Act and their respective authorizing statutes, as well as all rules, regulations, guidelines and orders under those statutes, and carry out their missions through activities that are authorized by their respective statutes and are consistent with the public interest. FHFA also has regulatory authority over the Federal Home Loan Bank

System's Office of Finance under section 1311(b)(2) of the Safety and Soundness Act (12 U.S.C. 4511(b)(2)).

II. Description of the Regulation

The rule sets forth FHFA's business address and hours of operation.

The rule also informs the public about FHFA's organization and structure, including the Office of the Director, the Division of Enterprise Regulation, the Division of Housing Mission and Goals, the Division of Federal Home Loan Bank Regulation, the Office of Inspector General, the Office of General Counsel, the Office of the Ombudsman, and the Office of Minority and Women Inclusion.

The rule describes and depicts FHFA's official logo and seal.

FHFA is removing the comparable regulations of the Finance Board and OFHEO, 12 CFR part 905 of the Finance Board regulations and 12 CFR part 1700 of the OFHEO regulations.

II. Regulatory Impact

Paperwork Reduction Act

This final rule does not contain any information collection requirements that require the approval of the Office of Management and budget under the Paperwork Reduction Act (44 U.S.C. 3501 et seq.).

Regulatory Flexibility Act

Because no notice of proposed rulemaking is required for this regulation, the provisions of the Regulatory Flexibility (5 U.S.C. 601 et seq.) do not apply. See 5 U.S.C. 601(2) and 603(a).

Administrative Procedure Act

In promulgating this regulation, FHFA has determined that notice and public comment are not necessary. Section 553(b)(A) of title 5, United States Code, provides that when regulations involve matters of agency organization, procedure or practice, the agency may publish regulations in final form. In addition, FHFA finds, in accordance with 5 U.S.C. 553(d), that a delayed effective date is unnecessary. Accordingly, these regulations are effective upon publication.

List of Subjects

12 CFR Part 905

Federal home loan banks, Organization and functions (Government agencies).

12 CFR Part 1200

Organization and functions (Government agencies), Seals and insignia.

12 CFR Part 1700

Organization and functions (Government agencies).

Authority and Issuance

Accordingly, for the reasons stated in the Supplementary Information, under the authority of 12 U.S.C. 4526, 12 U.S.C. 4512, and 5 U.S.C. 552, FHFA amends Chapters IX, XII, and XVII of title 12 of the Code of Federal Regulations as follows:

CHAPTER IX—FEDERAL HOUSING FINANCE BOARD

PART 905—[REMOVED]

1. Remove part 905.

CHAPTER XII—FEDERAL HOUSING FINANCE AGENCY

SUBCHAPTER A—ORGANIZATION AND OPERATIONS

2. Add part 1200 to subchapter A to read as follows:

PART 1200—ORGANIZATION AND FUNCTIONS

Sec.

1200.1 Federal Housing Finance Agency.

1200.2 Organization of the Federal Housing Finance Agency.

1200.3 Official logo and seal.

Authority: 5 U.S.C. 552, 12 U.S.C. 4512, 12 U.S.C. 4526.

§ 1200.1 Federal Housing Finance Agency.

(a) Scope and authority. The Federal Housing Finance Agency (FHFA) is an independent agency of the Federal Government. Division A of the Housing and Economic Recovery Act of 2008, Public law 110-289, 122 Stat. 2654, titled the Federal Housing Finance Regulatory Reform Act of 2008, amended the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4501 et seq.) (Safety and Soundness Act) and the Federal Home Loan Bank Act (12 U.S.C. 1421-1449) to establish FHFA. FHFA administers the Safety and Soundness Act and the regulated entities' authorizing statutes: the Federal Home Loan Bank Act, the Federal National Mortgage Association Charter Act, and the Federal Home Loan Mortgage Corporation Act. FHFA is responsible for the supervision and regulation of the Federal National Mortgage Corporation (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), (together, Enterprises), the Federal Home Loan Banks (Banks) (collectively, the "regulated entities"), and the Office of Finance (OF). FHFA is charged with ensuring that the regulated entities: operate in a safe and sound manner, including maintaining adequate capital and internal controls; foster liquid, efficient, competitive, and resilient national housing finance markets; comply with the Safety and Soundness Act and their respective authorizing statutes, and rules, regulations and orders issued under the Safety and Soundness Act and the authorizing statutes; and carry out their

respective statutory missions through activities and operations that are authorized and consistent with the Safety and Soundness Act, their respective authorizing statutes, and the public interest. FHFA's costs and expenses are funded by annual assessments paid by the regulated entities. FHFA is headed by a director, who is appointed by the President and confirmed by the Senate for a five-year term.

(b) Location. FHFA's headquarters is located at 400 Seventh Street, SW, Washington, DC 20024. FHFA's official hours of business are 8:00 a.m.- 5 p.m. (Eastern Time), Monday through Friday, excluding Federal holidays.

§ 1200.2 Organization of the Federal Housing Finance Agency.

(a) Director. The Director is responsible for overseeing the prudential operations of each regulated entity, and for ensuring that each regulated entity: operates in a safe and sound manner; operates and acts to foster liquid, efficient, competitive, and resilient national housing financing markets; complies with the Safety and Soundness Act, its authorizing statute, and rules, regulations, guidelines, and orders issued under those statutes; carries out its mission only through activities that are authorized by statute; and acts and operates consistent with the public interest. The Director may delegate to FHFA officers and employees any of the functions, powers, and duties of the Director as the Director considers appropriate. The Director manages FHFA, including through authorities delegated to FHFA officers and employees.

(b) Deputy Director of the Division of Enterprise Regulation. The Deputy Director is responsible for managing FHFA's program of prudential supervision of the Enterprises. The Deputy Director provides management oversight, direction, and support for all examination activity involving the Enterprises, the development of supervision

findings, and preparation of the annual reports of examination. The Deputy Director provides support and advice to the Director and other senior executives and represents the division on significant and emerging supervisory issues and development of FHFA supervisory policy, and has such other responsibilities as the Director may prescribe.

(c) Deputy Director of the Division of Housing Mission and Goals. The Deputy Director is responsible for FHFA policy development and analysis, oversight of housing and regulatory policy, and oversight of the mission and goals of the Enterprises. The Deputy Director oversees and coordinates FHFA activities regarding data analysis, market surveillance, policy development, policy research and analysis affecting housing finance and financial markets, and policy analysis and research in support of FHFA's mission and the Director's responsibilities as a member of the Federal Housing Finance Oversight board, the Financial Stability Oversight Board, and the Financial Stability Oversight Council, and has such other responsibilities as the Director may prescribe.

(d) Deputy Director of the Division of Federal Home Loan Bank Regulation. The Deputy Director is responsible for managing FHFA's program of prudential supervision of the Banks and the OF. The Deputy Director provides management oversight, direction and support for all examination activity involving the Banks, the development of supervision findings, and preparation of the annual reports of examination. The Deputy Director provides support and advice to the Director and other senior executives and represents the division on significant and emerging supervisory issues and development of FHFA supervisory policy, and has such other responsibilities as the Director may prescribe.

(e) Offices and functions.—(1) Office of the Director. The Office of the Director supports the activities of the Director and includes Offices as the Director may create within the Office of the Director.

(2) Division of Enterprise Regulation. The division supports and implements the responsibilities of the Deputy Director described in paragraph (b) of this section. The division oversees and directs all Enterprise supervisory activities, develops examination findings, prepares reports of examination, and prepares the sections of the Annual Report to Congress that describes the condition and performance of each Enterprise. The division monitors and assesses the financial condition and performance of the Enterprises. By means of annual examinations and a continuous on-site presence, the division monitors and assesses the amount of risk each Enterprise assumes, the quality of risk management, and compliance with regulations.

(3) Division of Housing Mission and Goals. The division supports and implements the responsibilities of the Deputy Director described in paragraph (c) of this section. In support of FHFA's mission and the Director's responsibilities as a member of the Federal Housing Finance Oversight Board, the Financial Stability Oversight Board, and the Financial Stability Oversight Committee, the division also oversees and coordinates FHFA activities that involve certain data analysis, and analysis affecting housing finance and financial markets.

(4) Division of Federal Home Loan Bank Regulation. The division supports and implements the responsibilities of the Deputy Director described in paragraph (d) of this section, including overseeing and directing all Bank supervisory activities, developing examination findings, preparing reports of examination, and preparing the sections of the

annual report to Congress that describe the condition and performance of the Banks. The division monitors and assesses the financial condition and performance of the Banks and the OF and monitors and assesses their compliance with regulations, the amount of risk they assume, and the quality of their risk management through annual on-site examinations, periodic visits, and ongoing off-site monitoring and analysis.

(5) Office of Inspector General. The office is headed by a presidentially appointed and Senate-confirmed Inspector General who serves under the general supervision of the Director. The office carries out activities and responsibilities established in the Inspector General Act of 1978.

(6) Office of General Counsel. The office advises and supports the Director and FHFA staff on legal matters related to the functions, activities, and operations of FHFA and the regulated entities; it supports supervision functions, development and promulgation of regulations and orders, and enforcement actions. The office manages the Freedom of Information, Privacy Act and ethics programs. The Designated Agency Ethics Official advises, counsels, and trains FHFA employees on ethical standards and conflicts of interest, and manages the agency's financial disclosure program.

(7) Office of the Ombudsman. The office is responsible for considering complaints and appeals from the regulated entities, the OF and any person that has a business relationship with a regulated entity or the OF concerning any matter relating to FHFA's regulation and supervision of that entity or the OF.

(8) Office of Minority and Women Inclusion. The office is responsible for all matters of FHFA relating to diversity in management, employment, and business

activities, and for supervising the diversity requirements applicable to the regulated entities and the OF.

(f) Other Offices and Departments. The Director may from time to time establish other Offices and Divisions of the agency as the Director deems necessary or appropriate to carry out FHFA's mission, such as an Office of Conservatorship Operations during such period as regulated entities are under FHFA's conservatorship; an Office of Strategic Initiatives to manage such strategic initiatives as the Director may identify; and a Division of Supervision Policy and Support to facilitate consistent supervision and examination policies across all regulated entities. The Director may also establish other Offices and positions as the Director deems necessary and appropriate to support the operations of a federal agency, such as a Chief Operating Officer, a Chief Financial Officer, an Office of Information Technology, and such other offices, departments, and positions as are necessary and appropriate or may be required by statute.

(g) Additional information. Current information on the organization of FHFA may be obtained by mail from the Office of Congressional Affairs and Communications, 400 Seventh Street, SW., Washington, DC 20024. Such information, as well as other FHFA information, also may be obtained electronically by accessing FHFA's website located at www.FHFA.gov.

§1200.3 Official logo and seal.

This section describes and displays the logo adopted by the Director as the official symbol representing FHFA. It is displayed on correspondence, selected documents, and signage. The logo serves as the official seal to certify and authenticate official documents of the agency.

(a) Description. The logo is a disc consisting of three polygons each drawn in a manner resembling a silhouette of a pitched roof house and with distinctive eaves under its roof. Each polygon is placed one in front of the other, two of which are diminished in size from the polygon behind it. Placed in the center of the smallest polygon is the acronym for the organization, “FHFA.” The polygons are encircled by a designation scroll having an outer and inner border of plain heavy lines and containing the words “FEDERAL HOUSING FINANCE AGENCY” in capital letters with serifs, with two mullets on the extreme left and right of the scroll.

(b) Display. FHFA’s official logo and seal appears below:



**CHAPTER XVII—OFFICE OF FEDERAL HOUSING ENTERPRISE
OVERSIGHT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PART 1700—[REMOVED]**

3. Remove part 1700.

Dated: December 3, 2012.

Edward J. DeMarco,
Acting Director, Federal Housing Finance Agency

